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THE INFLUENCE OF MANUFACTURES UPON POLITICAL SENTIMENT IN THE UNITED STATES FROM 1820 TO 1860¹

How far strictly economic influences have directed the course of our political history will always be variously judged by different students, but increasing research will probably add to our present estimate of their effect. Many literary historians, and most readers of history, are so attracted by the personality of leaders and statesmen, by broad expressions of national policy, and by the dramatic episodes of the country's tragedies and triumphs, that they neglect the dry commonplaces of business annals. But leaders and statesmen attain power and prominence, and national policies acquire meaning, through consulting that material welfare which is recorded in market quotations and ledger balances, and even the moral enthusiasm and heroic sacrifices of national crises are inspired remotely or immediately by economic causes. This paper will sketch briefly some effects of one such influence, the expansion of manufactures, upon American political sentiment for a few decades prior to the Civil War.

Until the second peace with England our manufacturing industries were so slightly differentiated from other forms of production that they hardly constituted an independent interest. Each rural household was a centre of handicrafts and each village community had its corps of manufacturing artisans. But the activity or cessation of these family and neighborhood occupations did not determine the prosperity of any class of people or of any section of the country. Some sentiment in favor of tariff protection had existed among groups of city workmen from the time when non-importation taught them the personal benefits of restricted European competition. Likewise the lessons of two wars with the mother-country had convinced many thinking men that industrial independence was a necessary adjunct of political independence; and even Thomas Jefferson, disinclined as he was to extend the functions of government, had come to believe that public aid of home manufactures might be required for national security. Three of the confederated states, and later the federal Congress, had passed customs laws that incidentally

¹ This paper, in substantially its present form, was read at the last annual meeting of the American Historical Association, in Washington, December 28, 1915.

to providing public revenue were intended to encourage domestic industry. But in 1815, when unimpeded avenues were reopened to our foreign commerce, popular opinion in the United States was still apathetic to national measures for promoting manufactures.

Within a very few years, however, a widespread sentiment was awakened in favor of home industry. This sentiment formed a new political influence and for a time controlled the policy of the government. When a democracy suddenly makes a new idea, or an old idea long neglected, the mainspring of its political action, the causes producing this effect must touch the interest of many people. Disregarding minor motives, two such general influences combined to sway public opinion in this new direction. These were a protracted business depression and an organized body of manufacturers.

A flood of foreign merchandise had swamped our markets as soon as peace with England was declared. Similar waves of imports swept over the Atlantic after the colonial wars and the Revolution; but in these earlier periods such goods competed mainly with homespun products and did not cause a manufacturing crisis. However, they occasioned business depressions by forcing Americans to export coin in payment for their excessive purchases abroad and thus creating a scarcity of money. In 1815 both these conditions had changed. The industries depressed by foreign competition had been partly transferred from households to factories, and the economic distress that ensued was characterized by unemployment, loss of capital in manufacturing investments, and the other features, then novel but now familiar, common to all industrial panics. But the depressing effect of the crisis upon agriculture and commerce was delayed by large shipments of American produce abroad, and by an inflation of bank paper; so that for a time money continued plentiful. Nevertheless the shrinkage of currency, though postponed, just as inevitably occurred, and the ultimate embarrassment of trade and the fall of prices were fully as great as if the stimulant of excessive note issues had never been applied to business.

When in our earlier post-bellum crises excessive importations and bad fiscal policies embarrassed the people, the popular remedy was to foster homespun industries. Spinning crazes occurred; families in town as well as country plied the wheel and loom with added application; and private societies and public authorities established premiums and bounties to encourage domestic manufactures. It was natural therefore that during the hard times after the second war with England people should resort to analogous measures to restore prosperity.

This reversion to an old policy, modified though it was by the changed organization of manufactures, was rendered easier by the fact that our mills and factories continued in almost as intimate touch with rural life as were the homespun industries that preceded them, and that still persisted in many parts of the country. No local displacement of operative labor had yet occurred, because nearly every village water-power had its mill, or forge, or incipient factory, that drew its workers from the neighboring farms. Many a farmer himself was a part owner in these enterprises, and they afforded him a market for his produce. Therefore in the North and East a manufacturing interest had arisen distinct enough to demand special treatment by the government, but so identified with rural welfare as to work in political harmony with the agricultural population.

For a time the public influence of this new interest was retarded by its very dispersion and consequent lack of organization. But during the recent war with England manufacturing had enrolled new recruits from the old and respected commercial aristocracy. Merchants like Francis Lowell were the first successful representatives of domestic industry at Washington. Such men, with the diplomatic temper bred by commerce and familiar with the broader problems of trade and finance, were needed to combine persuasive arguments of public policy with the personal demands of particular clients. These spokesmen soon became powerful propagandists of the group of political theories that centred around protection.

It is not our purpose to trace the early rise of high-tariff sentiment further. Our object is rather to call attention to the theory of national government that this new manufacturing interest adopted. The old Federalists were not generally protectionists. Their nationalism, so far as it was shaped by economic considerations, was determined by commercial motives—and foreign trade and domestic manufactures were recognized as antagonistic interests. Indeed some New England Federalists had boycotted the products of our infant industries, because these helped people to withstand the hardships inflicted by such Republican measures as the embargo and non-intercourse. The reaction against Federalism that followed the war with England possibly assisted in winning the temporary support of the planting states for our first protective tariffs. On the other hand Whig nationalism was based in no small part upon an economic policy dictated by manufacturing interests; it strove to strengthen central authority because the federal power alone could protect domestic industries; and the existence of these industries as a distinct, organized, and effective political force assisted materially

to establish in the popular mind the Whig conception of our national government as an inseparable union of states, each of which had complementary but subordinate legislative and administrative functions.

Three presidential terms saw the culmination and decline of the early protective movement. High-tariff policies encountered opposition based ostensibly upon constitutional theories, but in fact upon the discordant economic interests of different parts of the country. Where staple agriculture reigned supreme, or where the prosperity of many people depended on seagoing pursuits, hostility to laws favoring domestic manufactures was strong. Ship-building Maine and cotton-growing South Carolina joined hands in this antagonism. Cotton already had made the South a commercial appanage of Great Britain, and the old suspicion that England might develop cotton-growing areas under the British flag had ceased to trouble the dreams of Southern planters. But the wool-producing states had a different interest. Tariffs practically prohibitive kept their grain and provisions out of British markets and there was no other reciprocity between the Northern farmer and the English manufacturer. American wool was sold exclusively to American mills, and thousands of sheep-raisers in the North and West believed they must protect these establishments to preserve their own prosperity, and extended this theory by implication to other industries.

Already, however, the tie between the farmer and the manufacturer was being loosened. The latter had begun to go abroad for raw materials, and industrial companies were evolving a new form of organization. American corporation law had been rapidly modified in response to manufacturing needs, and big companies and what were then considered giant factories were attracting the attention and the hostility of the common people. Attacks upon the United States Bank and its supposed plutocratic control of the government about this time engendered popular suspicion of all large business enterprises. Theories, arguments, and epithets that we regard as novel in their recent application to industrial trusts are only parodies of those employed against the first million-dollar corporations that about 1830 began to enter the field of manufacturing. But though popular distrust of this new form of capitalism weakened somewhat the early sympathy between Northern farmers and mill-owners, their common interests continued strong enough in most industrial districts to maintain their political solidarity.

Meantime large factories, furnaces, and workshops attracted population as well as capital, and became the principal integrating force in our national life, while plantation agriculture dispersed

population, scattered settlement into new territories, continued frontier conditions, and was a centrifugal or disintegrating social influence. Consequently during the twenty years following the second war with England the fact that manufacturing was a sectional interest became increasingly apparent. Particular industries were identified with particular localities, and geographical antipathies were caused or emphasized by conscious diversity of economic pursuits. It goes beyond our subject to venture a judgment whether slavery did or did not prevent manufacturing in the plantation states; but the differentiation of industry between the North and the South would have been a sufficient reason, without the presence of that institution, to explain the different attitudes of their people toward public policies, and consequently their different theories of government.

One result of the diversity of economic interest that grew up between the two parts of the country during these years, was that the South assumed an attitude toward the North somewhat similar to that earlier taken by the American colonies toward England. During the tariff controversies that culminated with nullification the Southern people tried to adopt a non-importation policy with regard to Northern manufactures; states passed laws discriminating against the products of Northern workshops; and a popular propaganda of home industries actually caused some new spinning mills to be established in the Carolina uplands.

Meantime, however, opposition to protective tariffs gained political ascendancy. This legislation had been adopted in part as a remedy for hard times, and its declining popularity coincided with the era of exceptional prosperity that blessed the country for a few years before the crisis of 1837. But though the manufacturing interest lost control of Congress, it retained enough political power to keep its antagonists on an alert and prepared defensive. In 1842, aided by the popular discontent caused by a protracted business depression, a high-tariff party was again able to embody its theories in customs laws. But this return to the policies of the twenties lasted only four years. The centralization of manufacturing in large plants and contracted areas had increased. Many small mills survived, but their owners looked with distrust upon these big competitors, and in some respects harmony of interest existed less among manufacturers and between manufacturers and farmers, than at an earlier period. It resulted that from 1846 to 1860 our tariff laws made protection of manufactures incidental to revenue considerations.

Nevertheless the share of the nation's productive energy devoted to industrial pursuits continued to increase. The early political dominance of manufacturers was due to the absence of organized opposition. Their policies were not yet seen to conflict seriously with other interests. Therefore they temporarily wielded an influence beyond their natural strength. But after the middle of the century evidences multiplied that a necessary process of economic evolution would ultimately give manufacturing interests permanent political preponderance. This fact was clouded by the great immediate importance of slavery and secession, but it was perhaps more fundamental than either of these questions. Nature had set a narrower limit to the extension of agriculture than to the growth of factories, and this limit was narrowest of all where agriculture was geographically dissociated from manufacturing. Without seeing clearly this broad fact, that the centre of gravity of production was in all civilized nations shifting from the field to the factory, the statesmen of the South perceived that their section of the country had lost stride with the North in the march of economic progress. At an earlier day they had decried manufactures as physically and morally injurious to a free citizenry, and even as threatening the integrity of our political institutions. They now advocated them as a means of sustaining the South's relative importance in wealth, population, and political power. The Whig party in the South was naturally attracted to this movement, because it coincided with its traditional policy; but advocates like Calhoun were inspired by considerations of sectional security. In the same way that early Republicans, like Jefferson, laid aside a theoretical dislike of manufacturing in favor of its encouragement, when they saw that this might be necessary to prevent Great Britain from controlling the economic welfare, and possibly the political destiny, of the nation; so Southern leaders who foresaw possible secession from the Union sought to strengthen their section against the North by promoting manufacturing industries. Nor is it improbable that secession was advocated by some Southern mill-owners because they thought that an autonomous South would protect them from Northern competitors.

Meantime Union sentiment was fortified in the North by the fear that an independent Southern government would deprive our manufacturers of their protected market in the planting states. A similar solicitude for western markets for its factory products had already mitigated the early jealousy felt by New England of the growing states beyond the Alleghenies, and in those two sections of the country separatist sentiment had disappeared with the recognition of their common economic interests.

Only a few features of the influence of manufactures upon American political sentiment have been suggested. The main question before our people for more than half a century after the national government was established was whether that government should endure. Voluntary political co-operation upon so large a scale had never before been attempted. For a time manufacturing with its strictly local affiliations increased the economic diversity of the country and added to its sectional discord. But manufacturing is the most highly co-operative form of production, the form most dependent upon an efficient government for its growth and prosperity. Our evolution from a predominantly agricultural to an agricultural and industrial state was also a process of development toward closer and firmer political relations within that state. The multiplication of government functions that has accompanied the growth of factories and the appearance of new forms of industrial organization in America, and even more remarkably in Europe, had hardly begun before the Civil War. But the economic purpose of the state, minimized in political theory during the reaction against its control that accompanied the American and French revolutions, was again attaining recognition. The unity and strength of the government were seen to affect directly the welfare of industrial workers and employers. Our producers no longer enjoyed the happy self-sufficiency of the frontiersmen and the subsistence farmers who were the representative citizens of an earlier and to many a more idyllic era. The growing interdependence of society was exhibited throughout its economic life. Though that interdependence was made possible primarily by the improved mechanism of transportation, it was first manifested in production through the new organization and the expansion of manufactures. Political institutions, which in one aspect are reflections or expressions of economic forms, responded to this change by extending their authority and functions. This general tendency first realized itself in America through the growth of nationalism. Thus the rise of manufactures in the United States specifically fostered a political sentiment in favor of a strong and efficient central government, and in favor of increasing public intervention in the economic activities of the individual.

VICTOR S. CLARK.